

**OmniCare Health Plan
Liquidation Analysis
(\$ in 000's)**

	As of 12/31/01	Liquidation Adjustments	Liquidation Value
Current Assets			
Cash, Cash Equivalents and Investments	\$24,872		\$24,872
Premiums Receivable	7,605	(761) ¹	6,845
Due from Affiliate	2,991	(299) ¹	2,692
Accrued Interest Receivable	19		19
Total Current Assets	35,487	(1,060)	34,427
Other Assets			
Investment in Joint Venture	394	(197) ²	197
Investment in Subsidiary	5	(5)	-
Restricted Investments	1,000		1,000
Value of Enrollees	-	2,000 ³	2,000
Total Other Assets	1,399	1,798	3,197
Total Proceeds from Asset Liquidation	\$36,886	\$738	\$37,624
Liquidation Costs:			
Salary and Wages during wind-down		(\$5,000) ⁴	(\$5,000)
Administrative costs		(2,700) ⁵	(2,700)
Legal Fees		(1,500) ⁶	(1,500)
Other Outside Professionals		(500) ⁷	(500)
Contingencies		(2,000) ⁸	(2,000)
Net Liquidation Costs	-	(11,700)	(11,700)
Net Available to Creditors	36,886	(10,962)	25,924
Pre Filing Claims:			
Medical Claims Payable pre 8/1/01	(64,464)		(64,464)
Medical Claims Payable post 7/31/01	(23,770)	(8,800) ⁸	(32,571)
Accounts Payable and Accrued Expenses	(2,854)	(1,000) ⁹	(3,854)
Surplus Notes	(91,088)	(9,800)	(100,888)
	(17,300)		(17,300)
Total Pre Filing Claims	(108,388)	(9,800)	(118,188)
Net Shortfall after Pre-Filing Claims	(71,502)	(20,762)	(92,264)

Notes

1. Assumed to be 90% collectible
2. Assumed to be equal to 50% of book value.
3. Assumed value of enrollees in a liquidation.
4. Assuming 90% first 90 days, 75% next 90 days, 50% next 90 days .
and 25% for remainder of one year plus 15% retention premium.
5. MIS, Insurance, etc.
6. Estimate assuming substantial creditor action.
7. Estimate for accounting, financial, actuarial, and other professional services.
8. Estimate for unrecorded contingencies.
9. Additional accruals resulting from loss of negotiating leverage.

Recovery on Non-subordinated Liabilities	25.7%
Recovery on Surplus Notes	0.0%
Recovery on Total Claims	21.9%